

TFFR Legislation Approved

TFFR's funding improvement bill, Senate Bill 2046, was recently approved. The amended legislation contains the following provisions:

- Requires employer retirement contributions of 7.75% on re-employed retiree's salary beginning July 1, 2007. Employer contributions increase to 8.25% on July 1, 2008.
- Increases employer retirement contributions from 7.75% to 8.25% of active member's salary beginning July 1, 2008. Employer contributions will return to 7.75% once the plan reaches a 90% actuarial funded level.
- Creates a new tier of reduced member benefits for new TFFR members (and returning refunded members) employed on or after July 1, 2008.

Please inform your school district superintendent and board members of the impact TFFR legislation will have on your school district.

Enclosed is a summary of all legislation impacting TFFR. Our staff will discuss legislative changes at the spring Business Managers Workshops. If you have any questions, please contact the administrative office.

Contributions on Re-Employed Retirees

Beginning July 1, 2007, employer contributions will be required on all salary paid to re-employed retirees (including extra curricular duties, professional development, and in-staff subbing.) Non-contracted subs are not reported to TFFR.

Re-employed retirees can either be added to your monthly TFFR report or sent on a separate report. Payment of the 7.75% employer contribution can be either included with your regular monthly TFFR payment or sent in a separate check. At year end, employers must report last date taught and actual hours employed for each retiree. (Exclude extra curricular duties and professional development.)
Note: Do not cap hours at 700 for re-employed retirees.

Please contact your software provider for assistance in programming the inclusion of retirees on your monthly report. If you need additional assistance or need to make other arrangements to implement this change, please contact Shelly or Durene at the retirement office.

In addition, employers must complete a TFFR Retired Member Employment Notification form for every retiree employed (even if they are only compensated for extra curricular duties.) Employers are required to provide TFFR the completed form each year within 30 days of the retiree's employment. Updated TFFR Retired Member Employment Notification forms will be available from our office or on the TFFR website in June.

Referee Pay Defined

Under state law (NDCC 15-39.1-04(09)), referee pay is NOT reportable salary to TFFR. Since TFFR continues to receive questions regarding what constitutes referee pay, the TFFR Board recently defined "referee" to help clarify this issue.

Referees are defined as all game and desk officials including referees, umpires, line judges, score keepers, time keepers, ticket takers, ushers, and other judges or officials. Payments to judges or officials for other non-sporting events such as music, drama, and speech are also excluded from retirement salary.

Ticket Taking – Not Reportable

As explained in the “Referee Pay” article, the TFFR Board has adopted a new policy to define “referee.” The new definition excludes ticket taking earnings as reportable salary for TFFR purposes.

Therefore, effective July 1, 2007, ticket taking will no longer be reportable salary to TFFR. The reporting of ticket taking salary prior to this date will not be considered an error and no prior year adjustments are necessary.

Pre-Retirement Seminars

Beginning in July 2007, TFFR plans to offer statewide pre-retirement seminars each summer. To help us market this valuable program, please make copies of the enclosed poster and distribute to your teachers.

If your school district would like to host a pre-retirement seminar (minimum attendance - 25 teachers), please contact our office for additional information.

IMPORTANT!!
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Addresses Must Comply With Postal Standards

The Teachers’ Fund for Retirement would appreciate your help in correcting numerous incorrect or insufficient member addresses. It is very important that the school district’s monthly report contain a valid mailing address for each member. Valid address information will improve mail delivery and save postage costs.

Address standards can be found on the United States Postal Service (USPS) website:
www.usps.com/publications/pubs/welcome.htm
under Publication 28 (Postal Addressing Standards.) If you do not have access to the internet, you can pick up a copy of the standards at your local post office.

Some rules of thumb:

- Do not abbreviate the actual street name; e.g. 900 Blvd Ave should be 900 Boulevard Ave.
- Do not use the # sign. Use Apt., Ste., or Lot instead.
- Eliminate Rural Route addresses and utilize 911 addresses.
- If both the mailing and physical address are used, put the mailing address (usually the post office box address) on the line immediately above the city, state, and ZIP+4 code.
- Be sure to include the 4 numbers at the end of the 5 digit zip code.

School District Closures Or Consolidations

If your district is closing or going to a non-operating status, please notify TFFR in writing.

If your district is consolidating with another district, please notify us in writing. In addition, submit a Notice of School District Change form and a new Employer Payment Plan form. The forms can be found on our website (www.nd.gov/rio) and must be submitted to TFFR by the first reporting period of the new fiscal year.

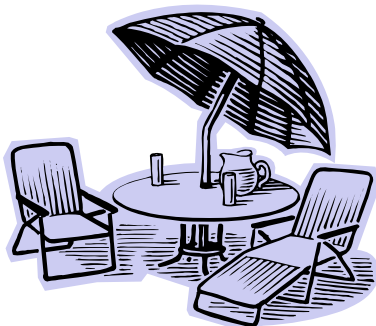
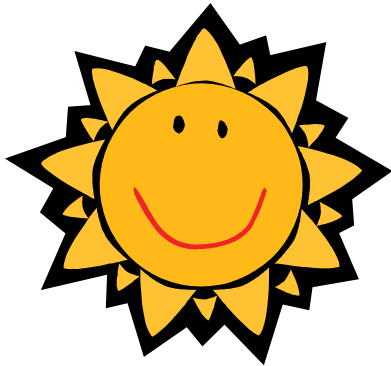
ALERT: Paper Reporters

In an effort to cut expenses, the monthly employer reports provided to all paper reporters will be sent in a white #10 envelope instead of the larger manila envelope. The quarterly mailings will still be sent in the larger envelopes. Please watch for the white envelope and don’t File 13 it!!

Fiscal Year-End

WILL YOU
REMEMBER ?

- ☒ to close member records with total hours and last date worked?
- ☒ to expense out contracts (report salary earned in the same fiscal year)?
- ☒ to report summer school in the correct fiscal year?
- ☒ that payments for unused leave are not reportable to TFFR?
- ☒ to submit a new Employer Payment Plan form if district is changing models?
- ☒ to notify TFFR if no contributions will be reported?
- ☒ to notify TFFR of any demographic changes?



Qualified Domestic Relations Order (QDRO)

If you are aware of any TFFR member going through a divorce, you may wish to share this information and suggest the teacher contact the TFFR administrative office.

For purposes of TFFR, a QDRO is any judgment, decree, or order made in compliance with North Dakota Century Code Chapter 15-39.1 relating to child support, spousal support, or marital rights affecting a TFFR member's retirement account. Additional guidance and a QDRO model format can be found on the TFFR website under North Dakota Administrative Code Article 82-08.

A pension benefit from TFFR is generally considered a marital asset and is subject to valuation and division in a divorce. A court may order that a former spouse receive a portion of any retirement benefit. This can only be accomplished if the court order, using our approved model, is filed and approved by the TFFR Board.

ENJOY YOUR SUMMER!